

**THE EL PASO CITY EMPLOYEES' PENSION FUND
BOARD MINUTES FOR THE REGULAR MEETING
HELD WEDNESDAY JULY 15, 2015 AT 8:30 A.M.
CITY HALL, CITY COUNCIL CHAMBERS, 300 N. CAMPBELL**

Members in Attendance:

Rene Peña, Chairman
Karl C. Rimkus, Vice Chair
Presi Ortega
Rebecca L. Torres
Pat Aauto
Christina Stokes

Members Absent:

Dr. Michiel Noe, City Representative
Larry E. Romero, City Representative
America E. Luna

Others in Attendance:

Eduardo Miranda, Attorney
Patricia Hickman, Deputy Pension Administrator
David Garcia, Payroll/Accounts Payable Specialist
Karina Chavez, Retiree Coordinator/ Data Entry Clerk
Bill Howard, Callan Associates
Richard Campos, City's IT Enterprise Applications Administrator
Norberto Pelayo, City's IT Department
Jeremy Troxell, Lead Web Media Developer of the City's IT Department
Tony Ramos, Treasury Services Coordinator of Comptroller's Office
Jesse Garcia, Comptroller's Office
Robin Stanton, Vice-President, Investments, AGF Investments
Geri Carroll, Vice-President Global & EM Equities, AGF Investments
Kimberly Henry, Account Manager, BNY-Mellon

- Item 1. Rene Pena, Chairman, called the meeting to order at 8:33 A.M.

NOTICE TO THE PUBLIC

All matters listed under the CONSENT AGENDA will be considered by the Pension Board to be routine and will be enacted by one motion in the form listed below. There will be no separate discussion of these items unless members of the Pension Board or persons in the audience request specific items be removed from the CONSENT AGENDA to the REGULAR AGENDA for discussion prior to the time the Pension Board votes on the motion to adopt the CONSENT AGENDA.

CONSENT AGENDA

Item 2. Approve the Minutes of the Regular Board meeting of June 17, 2015.

Item 3. Consideration and action on the following retirements:

	<u>NAME</u>	<u>DEPARTMENT</u>	<u>SERVICE TIME (EST)</u>
A.	Age & Service Retirement:		
1.	Alvarado, Gilberto	Sun Metro	28 years 07 months *
2.	Andron, Robert D.	EPWU	21 years 06 months
3.	Benavides, Maria C.	Health	15 years 05months
4.	Feldman, Cheryl	Env Svces	10 years 08 months
5.	Fierro, Lilia E.	Env Svces	25 years 00 months *
6.	Garite, Salvador	EPWU	09 years 05 months
7.	Jacquez, Martin	DOT	30 years 02 months
8.	Martinez, Miguel	Sun Metro	11 years 00 months *
9.	Mendez, Rosalia	Airport	14 years 08 months
10.	Moreno, Martha	General Services	40 years 03 months
11.	Ojeda, Jose M.	EPWU	23 years 02 months *
12.	Pedroza, Hector F.	Transportation	18 years 03 months *
13.	Ramirez, Roberto	Env Svces	23 years 07 months *
14.	Ricart, Robin M.	Health	17 years 03 months
15.	Villanueva, Francisco	Env Svces	12 years 00 months

* The 3 year average was used to calculate the final pension benefit.

** The 12 month average was used to calculate the final pension benefit.

Item 4. Consideration and action on survivor benefit applications for:

- A. Alvarez, Maria I., survivor of Manuel Alvarez, retiree.
- B. Flores, Martha E., survivor of Luis R. Flores, retiree.
- C. Maritnez, Mariah, FBO Brittany M. Martinez survivor of Miguel A. Martinez, employee.
- D. Norris, Doreen K., survivor of Gregory M. Norris, retiree.
- E. Pope, Maria E. survivor of Henry O. Pope III, retiree.

Item 5. Consideration and action on invoices as follows:

	<u>COMPANY</u>	<u>DESCRIPTION OF SERVICE</u>	<u>PERIOD</u>	<u>FEE DUE \$\$</u>
A.	Eddie Miranda	Legal Fees	June 30, 2015	\$412.50
B.	Gordon Davis Johnson & Shane PC	Legal Fees	May 31, 2015	\$2,000.00
C.	Salient Capital Advisors, LLC	Investment Fees	2 nd QTR 2015	\$61,518.71
D.	Callan Associates Inc.	Consulting Fees	2 nd QTR 2015	\$70,062.92

* To be paid by Directed Brokerage credits.

** For Notation Only – to be withdrawn from commingled account.

*** Performance based fee.

**Motion made by Pat Aduato to accept the Consent Agenda; seconded by Christina Stokes.
Motion required polling:**

Presi Ortega **aye**
Rebecca L. Torres **aye**
Pat Aauto **aye**
Christina Stokes **aye**
Karl Rimkus **aye**

Motion carried.

REGULAR AGENDA

Item 6. Discussion and action regarding the Treasurer's Reports for months ending June 30, 2015.

Tony Ramos, Treasury Services Coordinator and current Acting Comptroller, presented; the Board received and reviewed the Treasurer's Report for the month ended June 30, 2015.

Ramos reviewed the statement of net assets available for benefits, the statement of changes in net assets, and the quarterly statement of changes in net assets. The increase in accrued expenses of about 4.3 million dollars is attributed to benefits that were paid to retirees in June. Overall, net assets available for benefits are at about 738 million dollars which is a decrease of approximately 3 million dollars from last month; the fair value of investments decreased by about 3.9 million dollars from May. However, for the year the Fund has seen an increase of 5.2 million dollars. Ramos noted the reconciliation to Mellon statements from cash to accrual. The contributions year to date are slightly over 31 million dollars and benefits paid to retirees are at about 40 million dollars, a gap of approximately 8.8 million dollars. The gap is as expected because the Fund pays out more, about 1 million dollars per month, than is received in contributions. Contributions for the fourth quarter are at approximately 3 million dollars; benefits paid to retirees are at about 4 million dollars.

Ramos reviewed the investment income analysis and the corresponding chart. The net investment income is at about 19.5 million dollars. The decrease in net investment income fiscal year to date from 3.14 percent to 2.67 percent is attributed to decrease in the fair market value of investments.

Ramos reviewed the administration actual/budget comparison. At ten months utilization is expected to be at 83 percent of the budget. The total in-house administrative expenses are slightly under budget at about 75 percent.

Motion made by Presi Ortega to accept the Treasurer's Report for month ended June 30, 2015; seconded by Rebecca L. Torres. Motion carried (unanimous.)

Item 7. Discussion and action regarding the monthly report from the City's Department of Information Technology.

Richard Campos, Enterprise Applications Administrator of the City's Information Technology (IT) Department, spoke. The Board received a progress report on the pending issues with the Pension Module.

Campos reviewed periodic processing. Periodic processing for individual personnel has been completed for May. Currently, IT is pending data for EPWU employees for June.

Campos noted that the employee withdrawal process is being reviewed to improve the services in the Pension Module. A developer is currently reviewing some programs. IT is comparing procedures from pre to post re-implementation of the PeopleSoft product.

Campos discussed the benefits calculation program. In preparation for contacting the vendor, IT is collecting trace data and reviewing the program configuration.

No action required on this item.

- Item 8. Discussion and action regarding the receipt of a website presentation by the City's Web Media Designer.

Jeremy Troxell, Lead Web Media Developer of the City's Information Technology (IT) Department, presented.

Troxell reviewed the updated design and features of the new Pension website. IT has been working on the design as presented to the Board in May. He noted that the site has been built and is ready to go live. The new site is responsive; has a structured navigation based on analytics; and contains a search feature. Troxell also noted that the Benefits Calculator is prominently displayed and a Meetings page with a link to the streaming/archived videos has been added as previously requested.

The Board discussed the content and made several suggestions. Karl Rimkus, Vice Chair, discussed the use of the term Participant and possible alternate terms in reference to employees. Discussion ensued. The Board provided administrative direction to update the title.

Troxell advised that Karina Chavez, Retiree Coordinator/ Data Entry Clerk, submits the tickets for all changes and he will confirm with Chavez when the site is ready to go live.

No action required on this item.

- Item 9. Discussion and action regarding the receipt of a death verification analysis.

Patricia Hickman, Deputy Pension Administrator, presented; report was distributed.

The death audit is performed by the Berwyn Group every other month by comparing Fund retiree demographic data against the social security master death index and other records. The report did identify one death that administration was not aware of; however, there was no overpayment.

No action required on this item.

- Item 10. Discussion and action regarding an amendment to the Fund's investment rules to change the meeting requirements for investment managers, the addition of global REITs, and changes to related benchmarks.

Bill Howard of Callan Associates presented; a memorandum and the draft Investment Policy Statement (IPS) were distributed.

Howard discussed the amendments to the IPS as outlined in the memorandum. Howard discussed the revised language on required in-person visits with investment managers for the Board and Investment Committee. Due to an increased number of managers in the Fund over

recent years, the Investment Committee would prefer to visit with managers on an annual basis (semi-annually for managers on “watch”). While the frequency of the visits is reduced, the time spent with the managers will be increased during their annual visit.

Howard discussed the revised REIT guidelines to allow for investing in international REITs, the revised total fund benchmark to reflect the addition of global REITs, and the revised performance standards for REITs to incorporate the new global mandate. This is necessary due to the approval of adding global REITs to the Fund and hiring Principal for its global REIT portfolio. Howard noted that the target allocation in real estate (for both private and global REITs) remains unchanged at 10 percent; within the real estate asset class the target allocation is 80 percent core private and 20 percent global REITs. The target allocation into global REITs is 15 million dollars based on June 30, 2015 assets. Callan proposes to invest 7.5 million dollars now with Principal.

Howard discussed rebalancing of the real estate portfolio in the latter part of the year. Callan expects that Heitman, a pending private core manager, will call down capital in the second half of 2015; that will be the opportunity to increase funding with Principal and trim funding with Invesco.

Rene Pena, Chairman, requested additional information on why the Fund is moving toward global. Howard advised that all the Fund’s real estate assets are currently invested domestically; Callan believes it is prudent for the Fund to diversify and gain international exposure. Pena noted that global REITs were discussed extensively during the Investment Committee meeting and as domestic quantitative easing, which aided domestic REITs, comes to a close, foreign quantitative easing has just begun.

The Board Members asked questions to the presenter.

Motion made by Presi Ortega to approve the changes that were presented; seconded by Pat Aداuto. Motion required polling:

Presi Ortega	aye
Rebecca L. Torres	aye
Pat Aداuto	aye
Christina Stokes	aye
Karl Rimkus	aye

Motion carried.

Item 11. Discussion and action regarding the receipt of an investment manager report from AGF/Touchstone.

Robin Stanton, Vice-President, Investments, and Geri Carroll, Vice-President Global & EM Equities, of AGF Investments presented; the Board received and reviewed the investment manager report from AGF/Touchstone.

Stanton provided an overview of the firm, portfolio team, and assets under management. The firm was founded in 1957 and manages approximately \$28 billion, institutionally about \$13 billion. The global equity team manages approximately 25 percent of that \$13 billion plus a significant portion of retail assets for AGF with the support of the President/CEO, Kevin McCreadie. McCreadie joined the firm a little over a year ago. The global equity team is under the leadership of Stephen Way who has been with the team since 1987. Over the last few years

there has been some turnover in the global equity team; there will be additions to the team within the next month or so. Stanton noted that AGF manages the Touchstone Mutual Fund in which the Fund is invested.

Carroll reviewed the firm's philosophy and process. AGF looks for high quality companies through the lens of Economic Value Added (EVA). The metric employed to measure EVA is cash flow return on investment. There are three main drivers of cash flow return on investments: sales growth, operating margins, and asset turns.

Carroll provided a performance overview and reviewed country holdings. YTD the portfolio is down 3.7 percent while the index is up 3.1 percent. Carroll attributed the portfolio's underperformance to China and security selection. The portfolio is underweight (-10.65 percent) in China. The Country Attribution Summary displays that the portfolio was down 2.17 percent due to the lack of allocation in China and down 1.23 percent due to stock selection. However, the market is very volatile and in the early days of July, the portfolio has closed the gap with the benchmark as the Chinese market has declined by 200 basis points. AGF believes that the rally in China will not last long as shown historically and primarily due to the fact that it is not driven by fundamental analysis of companies. The recent decline in China provided an entry for AGF into Tencent. The portfolio is also underweight in Russia. AGF does not invest in Russia because Russia does not believe in rule of law; Carroll explained that Russia undermines shareholders' rights when they nationalize a company.

Carroll reviewed AGF's overall outlook. AGF anticipates that interest rates will rise at the earliest in September but most likely in December of this year. The rise in domestic interest rates will have an impact on emerging markets. It will impact countries with current account deficits more than the other countries; therefore, AGF has structured their portfolio to be underweight in those countries. Another concern is the depreciation of the Japanese Yen which affects the competitiveness of other Southeastern Asian Countries such as Indonesia, Thailand, Philippines and South Korea. AGF believes that the best opportunity in the emerging markets is to look for companies that are attractively valued. AGF is also focused on reforms. Carroll described emerging market reforms by country. Overall, AGF will continue to adhere to their investment discipline.

Presi Ortega, Trustee and Chair of the Fund's Investment Committee, noted that during the Investment Committee Meeting AGF stated that China would probably be considered an emerging market for the next 20 years; Ortega requested additional information on the factors that would move China into the developed country index. Carroll responded that the Morgan Stanley Country Index (MSCI) regulates a number of different industries. The MSCI takes into account the overall feasibility of trading in and out of that market and the overall corporate governance controls that are in place. Ortega questioned the allocation in the index with over 25 percent in one country. Carroll responded that in the MSCI All Country World Index, which is the standard for global investors, such as AGF, the United States represents about 50 percent. Carroll advised that overweight in a single country is not unusual in an index and provided additional examples.

Rene Peña, Chairman, questioned how often the benchmark is changed. Carroll responded that the MSCI goes into review each year; however the benchmark does not change much. AGF actively prepares for changes such as initiating paperwork to qualify to invest in the A-Shares. Bill Howard of Callan Associates added that the biggest change will be the Chinese A-Shares.

The Board Members asked questions to the presenter.

No action required on this item.

Item 12. Discussion and action regarding a report from Callan Associates.

Bill Howard of Callan Associates presented; the Board received and reviewed the monthly “flash” report for the period ended June 30, 2015.

Howard reviewed performance of the markets for June. June was a tough month for the markets with Greece’s default on June 30th; the decline in China worried markets; and the potential for the US Fed to raise interest rates for the first time in about nine years also affected the market. The market sold off in June: the Russell 3000 was down 1.7 percent; EAFE was down 2.8 percent; and emerging markets down 2.5 percent.

Howard reviewed the performance of the Fund’s domestic equity active managers. Mellon Tangent Added, the US large cap manager, down 1.5 percent versus the S&P 500; however they remain ahead for the fiscal year to date and 120 basis points ahead of the S&P 500 for the last 12 months. Vulcan, the US all cap manager, is a little behind the broad Russell 3000 for June; however the portfolio is up 10 percent for the last year which is almost 300 basis points better than the index. Boston Partners, the large cap manager with a value orientation, has struggled as their value style has been out of favor; however, over longer periods they have performed well. Boston Partners is almost 200 basis points ahead of the index and about 50 basis points ahead for the last five years. Wedge, the small cap value manager, has also struggled as their value style has been out of favor; however, for the last three years Wedge is ahead of the index by almost 200 basis points. Riverbridge, the small cap growth manager, was positive 4 percent in June which is over 300 basis points over the index; fiscal year to date they are up over 200 basis points and a little bit ahead for the last year. Riverbridge’s performance has improved since inception.

Howard reviewed the performance of the Fund’s international equity active managers. The Investment Committee heard from three managers during July’s meeting, two of which are on watch: AGF/Touchstone and Denver Investments. Denver outperformed their index in June by over 200 basis points, but has not completely recovered from the loss experienced in 2014. Denver has less than three years with the Fund. Franklin Templeton trailed the index in June but is up about 300 basis points for the fiscal year to date and the last year. Lazard performed well in June on a relative basis and is about 200 basis points ahead of the index for the last year. AQR, an emerging markets manager, also presented to the Investment Committee meeting on July 14th. AQR trailed the index in June and fiscal year to date but are ahead of the index for the last year.

Howard reviewed the performance of the Fund’s fixed income active managers. Janus is the core plus bond manager. Bonds were negative in June; rates went a little bit higher. Janus was in line with the index for the month and slightly behind fiscal year to date and the last year. Franklin Templeton is behind the index for June, but ahead by 400 basis points for the fiscal year to date and 500 basis points for the last year. The Invesco REIT portfolio outperformed the index for June; ahead of the index for the last year; and flat for the last 5 years.

Howard reviewed the performance of the Fund’s MLP active manager, Salient. Salient outperformed the index by 400 basis points in June and almost 800 basis points fiscal year to date.

Howard reviewed asset allocation. The allocation for the end of June was very close to the target allocation. The total fund is at approximately 734 million dollars. Trustee, Presi Ortega,

requested additional information on future allocation in private equity. Howard responded that the Board approved additional funding to private equity in June. Discussion ensued regarding allocation and current market conditions. Howard provided an update of the market to date: conditions are improving.

The total fund was down about 1.4 percent in June outperforming the index. Fiscal year to date the Fund is up 1.7 percent; it is unlikely that the Fund will reach the target rate of return of 7.5 percent for the fiscal year. Howard noted that for the last five years the Fund has earned 11.3 percent compounded annually.

The Board Members asked questions to the presenter.

Motion made by Presi Ortega to accept the report by Bill Howard and Callan Associates; seconded by Rebecca L. Torres. Motion carried (unanimous.)

- Item 13. Discussion and action regarding an update and training regarding custody services performed by BNY-Mellon.

Kimberly Henry of BNY-Mellon provided an update and training regarding custody services performed by BNY-Mellon. The Board received and reviewed the presentation.

Henry noted that she is the Account Manager and described the relationship of the Account Manager with the Fund including: total accountability; advocate within BNY Mellon; consultative approach to understand the Fund's goals, strategy and future direction; propose innovative ideas to streamline the investment process; and periodic service reviews and annual client satisfaction survey.

Henry reviewed the role of a custodian. A custodian is a financial institution responsible for safeguarding a firm's or individual's financial assets. The role of a custodian is the following: to hold in safekeeping assets such as equities and bonds; arrange settlement of any purchases and sales of such securities; collect information on and income from such assets (dividends in the case of equities and interest in the case of bonds); provide information on the underlying companies and their annual general meetings; manage cash transactions; perform foreign exchange transactions where directed; and provide frequent reporting on client accounts

Henry reviewed the core functions of a custody system. The custody platform is the cornerstone application for BNY-Mellon's technology architecture and the hub for all securities-processing related transactions. It communicates with internal and external systems. It is a mainframe-based, online, real-time, multi-currency system with generic functions including: hold and track security and cash positions; collect income; invest idle cash; process foreign exchange; process corporate actions; deliver data for reporting; and send/receive data to securities lending, treasury services, investment managers and third parties. Henry noted that BNY-Mellon recently underwent a system conversion and the Fund transitioned to a different custody platform.

Henry reviewed the global custody services and benefits including: leverage to BNY-Mellon's global presence and market expertise; 24 / 7 global operations; market experts in multiple locations; centralization of function which cultivates expertise in the line of business; reduction of risk through automation; and industry leadership backed by BNY-Mellon's product management team.

Henry detailed global custody services as presented on pages 8-14 including: safekeeping, cash processing, corporate events, income processing, global tax support, class actions, and proxy voting.

Henry reviewed the investment support service team, responsibilities, and controls including: to provide support to over 1,400 investment managers and 400 internally managed clients in trade processing and cash management (advisors are BNY-Mellon's "clients"); primary responsibility is timely and accurate settlement of trades (global and domestic) and related transactions (wires, fax, currency movements) and the full investment of cash in active portfolios; monitor/forecast currency balances to minimize overdrafts and ensure funding for trade settlements; monitor fails and overdrafts and ensure timely resolution regardless of source; respond to inquiries related to trades, income, P & I, payments, corporate actions, funding activity and other general questions; email inquiries controlled via use of shared mailboxes; authorized client and investment manager signature lists are maintained and used for visual verification of faxed instructions; a wire call-back procedure is used to minimize risk and exposure-non-trade related; shared team mailboxes are utilized to assure timely replies to emailed inquiries; and daily checklists completed by each team and supervisor covering critical job components.

Henry reviewed the methods of trade instruction and lifecycle of a trade. The methods of trade include the DTCC institutional delivery system, ISITC/SWIFT transmissions, manual trade instructions and Workbench. The lifecycle of a trade includes three parties: the investment manager, BNY-Mellon (custodian), and the brokers. Henry noted that the custodian does not have any investment discretion over the Fund.

Henry reviewed the client accounting and reporting support. The client accounting and reporting services team provides all accounting and cash services including: all report preparation (daily, monthly, quarterly and annually); valuations and pricing; account reconciliation with investment managers; daily cash sweep into the Fund's short-term vehicle; wire and inter-fund transfers; and acting as a liaison with the Fund's internal and external auditors.

Henry reviewed the detailed reconciliation process which helps to ensure accuracy.

Henry reviewed the accounting statements, regulatory support, client access to data and information, and Workbench. Change in financial landscape has placed greater responsibility on reporting entities.

Rene Peña, Chairman, questioned if Workbench training is sanctioned by the State's continuing education policy. Patricia Hickman, Deputy Pension Administrator, responded that administration would need approval from the PRB. Henry noted that she will provide upcoming training information to Robert Ash, Pension Administrator.

The Board Members asked questions to the presenter.

No action required on this item.

Item 14. Discussion and action regarding a report from the Deputy Pension Administrator.

Patricia Hickman, Deputy Pension Administrator, reported on the following:

- The TEXPERS 2015 Summer Educational Forum will be held in San Antonio Aug 16th thru 18th; registration is open; and the deadline for making hotel reservations at the

discounted rate is July 28th.

- The Pre-Retirement Training Session will be on August 5th.
- Subsequent to the Supreme Court ruling regarding same-sex marriage, Pension administration has revised their procedures to reflect that ruling.

Presi Ortega requested clarification. Hickman responded that the Fund now accepts same-sex marriage licenses and their spouse will now be recognized as the surviving spouse in case of death. Ortega questioned what would happen in the event that the ruling is changed or appealed? Eddie Miranda, Attorney, responded that is unlikely that a petition will be granted for reconsideration. Trustees discussed the impact on the Fund and the necessity for the Fund's actuary to review. Miranda noted that unless the Supreme Court places a limitation of interpretation, the law is considered prospective; there will be no retroactive pay.

- The scheduled release of the newsletter is in October; Trustees are encouraged to submit ideas.
- Pension staff is talking with the Internal Auditor's Office; there is no scope of work yet, but staff may need to schedule an Audit Committee Meeting.
- Congratulations to City Representatives Dr. Michiel Noe and Larry E. Romero for being selected Mayor Pro Tem and Alternate Mayor Pro Tem by City Council.

No action required on this item.

Item 15. Discussion and action regarding the following Committee reports/assignments:

- A. Actuary Committee – Committee did not meet.
- B. Ad-Hoc Facilities Committee – Committee did not meet.

Karl Rimkus, Vice Chair, noted that Robert Ash, Pension Administrator, submitted a letter on behalf of the Board to the City Manager advising that the Fund is open to accepting an offer for the excess property; a response is expected by the end of July. The letter was hand delivered on July 14th.

- C. Audit Committee – Committee did not meet.
- D. Investment Committee – Committee did meet.

Presi Ortega read the Investment Committee minutes:

The Investment Committee met on July 14, 2015. The Committee reviewed the monthly "flash" report, prepared by Callan Associates, regarding the investment performance of the Fund for the month of June 2015. The Committee notes that the Fiscal YTD return as of June 30, 2015 is below the Funds 7.5 percent assumed investment return rate.

The Committee received semiannual investment manager reports from AQR, Denver Asset Management, and AGF/Touchstone and had an opportunity to ask questions. There were no material exceptions noted in their reports. Denver and AGF remain on watch due to performance.

The Committee also discussed an allocation to Global REITs. The Committee's recommendation is to allocate 1 percent of assets to Principal Real Estate Investors.

The Committee tabled for one month discussion and action regarding possible use of currency hedging and the Fund's asset allocation.

Finally, the Committee discussed and recommends proposed changes to the Fund's Investment Policy that would change the meeting requirements for investment managers and would include investment in Global REITs.

The next meeting of the Investment Committee is scheduled for August 18, 2015.

No action required on this item.

E. Personnel Committee – Committee did meet.

Christina Ortega read the Personnel Committee minutes:

The Personnel Committee met on July 7, 2015. The Committee received an employee request (from Pension staff) regarding sick leave carried over from prior work with the City of El Paso. The Committee discussed the request with the requesting employee. The Committee also reviewed employee contract provisions and the Fund's Personnel Rules. The Committee recommends that employees be allowed to use a limited amount of sick leave carry-over with the following provisions:

1. No employee is entitled to use any carry-over sick leave unless the employee shall have been employed by the Fund in a full time position for at least twelve months.
2. A written request must be made to the Fund's Administrator to use any portion of carry-over sick leave.
3. Before any carry-over sick leave may be used the employee must exhaust their vacation and sick leave balances.
4. The amount of carry-over sick leave is limited to the lesser of the amount carried over from City service or 80 hours.
5. Any amount of carry-over sick leave paid or used will reduce the amount of remaining for pension service credit.
6. The use of carry-over sick leave is limited to hospitalization stays and documentation must be presented to the Administrator acknowledging the length of the hospital stay.
7. The maximum amount of 80 hours of carry-over sick leave may be used for multiple hospital stays.

The Committee recommends that an item be placed on Board agenda to discuss this and possibly approve this recommendation. The Committee notes that employee contracts and the Fund's Personnel Rules will need to be amended to effectuate this recommendation.

No action required on this item.

F. Retiree Committee – Committee did not meet.

Item 16. For Notation:

A. Directed brokerage credit balance for month ended May 31, 2015: \$135,060.97

B. Refund of Contributions:

	NAME	DEPARTMENT	TOTAL REFUND
1.	Arzabal, David	Mass Transit	\$2,088.17
2.	Castañeda, Dora A.	Fire	\$1,884.95
3.	Eitel, Edward	Health	\$2,097.74
4.	Franks, George	Environmental Svcs.	\$4,537.93

5.	Gardea, Benjamin	Fire	\$1,811.27	
6.	Hernandez, Luis R.	Mass Transit	\$1,441.71	
7.	Hooker, Michael	Human Resources	\$4,125.20	
8.	Howell, Martin	General Services	\$49,904.99	
9.	Lee, Alisha A.	Municipal Clerk	\$15,910.51	**
10.	Martinez Jr., David	Mass Transit	\$9,806.24	
11.	Mendias, Gabriela	Mass Transit	\$1,696.49	
12.	Mercado, Christy	EPWU	\$13,706.23	
13.	Mireles, Luis	Library	\$306.17	
14.	Quindt, Tiffany	Legal	\$13,071.11	
15.	Salcedo, Amanda M.	Municipal Clerk	\$1,759.31	
16.	Santillan, Irak	Fire	\$829.02	
17.	Siebertz, Ulrich	Parks & Recreation	\$13,453.26	
18.	Silvas, Tony O.	EPWU	\$21,392.16	
19.	Stevens, Heather	Fire	\$8,792.00	
20.	Vargas, Oscar	EPWU	\$912.80	
			\$169,527.26	

* Additional interest/contributions due
** Eligible for Early Retirement

For notation, no action required on this item.

Item 17. The Board will retire into EXECUTIVE SESSION pursuant to the Texas Government Code, Sections 551.071-551.076 and Section 551.078 to discuss any of the following:

- Section 551.071 CONSULTATION WITH ATTORNEY
- Section 551.072 DELIBERATION REGARDING REAL PROPERTY
- Section 551.074 PERSONNEL MATTERS
- Section 551.075 CONFERENCE WITH EMPLOYEES
- Section 551.076 DELIBERATION REGARDING SECURITY DEVICES
- Section 551.078 DELIBERATION REGARDING DISABILITY APPLICANT'S MEDICAL RECORDS

Item 18. Adjournment

Motion made by Presi Ortega to adjourn the El Paso City Employee's Pension Fund Board meeting on July 15, 2015; seconded by Christina Stokes. Motion carried @ 10:21 A.M. (unanimous).